

JEFFERSON COUNTY COMMISSIONERS
COURTHOUSE, BOX H
BOULDER, MT 59632
PHONE 406-225-4025
FAX 406-225-4148

TOM LYTHGOE, CHAIR

KEN WEBER

DAVE KIRSCH

**PROCEEDING OF THE BOARD OF COMMISSIONERS
COUNTY OF JEFFERSON, STATE OF MONTANA
February 17, 2009**

Present: Commissioners Lythgoe, Weber and Kirsch; Tom Harrington, JLDC; Linda Norden and Barb Reiter, Horizons Resource Committee; Cheryl Haasakker and Charlene Hall, North Jefferson County Spay-Neuter Clinic; Jim and Sharon Culbert

MINUTES

Commissioner Lythgoe moved to adopt the minutes of January 13. Commissioner Weber seconded. The motion carried.

REPORTS

Commissioner Lythgoe noted the receipt of the January expense and revenue reports from the Clerk and Recorder.

CALENDAR REVIEW

2/19 Headwaters – Butte – 1:00
RMDC – Helena – 3:00
Zoning Commission – 4:00
Clancy Library subcommittee – 6:00
2/20 Exit Interview with Auditor – 1:30
2/23 Center for Mental Health – Great Falls – 10:00

COMMISSION REPORTS

MACo MID-WINTER CONFERENCE

Commissioner Weber reported that the Commissioners attended the MACo conference the previous week. He is on the board for the Hard Rock counties as well as the Forested counties, so he attended those sessions.

WHITEHALL TOWN COUNCIL

Commissioner Weber reported that he attended the Whitehall Town Council meeting the AAA minutes shell.wpd

previous week. He brought up the idea of doing some joint planning. He would like to end up with a memorandum of understanding. Mayor Ross will be contacting the Commission about this.

WEED TRAINING

Commissioner Kirsch reported that he attended an all-day weed meeting on the 4th.

PROPOSED FOREST PARK RSID

Commissioner Lythgoe reported that on Monday night he met with residents of Forest Park and engineers from Great West. There was good attendance and good discussion. He has no idea at this point what direction this will go. He did receive a petition with well over 100 signatures requesting that we move forward. He has talked to a few people and indicated that if they want to see this move forward we will need to hear some positive feedback. Commissioner Weber asked how many signed the petition. Commissioner Lythgoe said that there were over 100 signatures, but this was done before the meeting and before they had an idea of the cost involved.

CORRESPONDENCE

Commissioner Lythgoe read a letter from Marilyn Craft, Clerk of Court, informing the Commission that her deputy, Maureen Dawson, will be retiring effective March 31, 2009. Bonnie has notified her that it will cost approximately \$3,111.07 to pay off Maureen's sick and vacation time. Whoever is hired to replace her will start at a lower rate of pay, so her budget will be short \$1,400. Commissioner Weber moved to transfer \$1,400 from PILT to that line item to cover the shortfall. Commissioner Kirsch seconded. The motion carried.

Commissioner Lythgoe read a letter from Commissioner Weber regarding Cynthia Kriezwald's appeal to termination. Commissioner Weber would like this placed on the next agenda for a decision.

Commissioner Lythgoe noted that the State Traffic Enforcement Program contract was presented for signature. The contract was signed and will be returned to the Sheriff's Office for submittal.

ITEMS FOR COMMISSIONERS ACTION OR REVIEW

DISCUSS AND DECIDE ON A RESOLUTION FOR A LOAN AND GRANT FOR THE SUNLIGHT BUSINESS PARK

Tom Harrington, JLDC, gave an update on the progress of the Sunlight Business Park to be located on Golden Sunlight Mine property. The 200 acre business park has been in process for a little over four years now. It has been a partnership between the Golden Sunlight Mine, Jefferson County and the Community of Whitehall and is part of a sustainability program to try to mitigate lose of mine jobs as the mine closes. As a part of this, a CTAC group was formed. They are fortunate that the mine got an extension until 2015. The mine gave them a low-cost lease for 40 years with two 5-year renewables. They went through the process and did the Phase 1 economic

development administration economic development grant. They got a complete design of the park and infrastructure. They are just finishing the DEQ wastewater permit process. Quite a bit has gone into the project already. The next step will be working on the infrastructure. They have an estimate of \$1.3 million for the infrastructure to get the park up and running. They have submitted a pre-application for an EDA grant, and have been asked to submit a full grant. There is a match requirement of 50%, and they are looking at approximately \$650,000 needed for the match. They have been discussing options for the match, all grant, grant/commercial loan combo, grant/metal mines loan combo, and all metal mines loan. The avenue they are looking at now is a metal mines grant in the amount of \$400,000 to \$450,000 from the metal mines account and they are working with the local bank in Whitehall regarding a \$250,000 loan. Tom said that they are looking for resolution of support from the Commission. Tom said that the next question is how to pay back the loan. They have been working on a Tax Increment Finance (TIF) district, and have a couple of contracts for the design of the district. The TIF district had a public hearing the previous week with local landowners and it was well received. They are working on the parameters of the district, as well as the boundaries.

Commissioner Lythgoe asked what they are looking at. Tom said that they are looking at a grant/loan combo and have had discussions with a commercial bank. Commissioner Lythgoe said that he was aware of the \$240,000 amount, but not the entire amount.

Commissioner Weber asked if they have the numbers nailed down at this point. Tom said that they are pretty firm. Commissioner Weber asked when they will know if the loan approved. Tom said pretty much ready to go, they just waiting for assurances, which is why they are asking for a resolution from the Commission. Commissioner Weber said that at the Town Council meeting the previous week, they asked for a similar document from the City for the ambulance barn.

Commissioner Lythgoe asked, with the TIF district, they would looking at financing over and above what these dollar amount are, as it relates to the industrial park, or would the TIF district potentially have revenues to pay off some of the loan amount. Tom said that this is the intent. The TIF district is for infrastructure, so anything you build in there, that incremental increase on taxes goes back into infrastructure. They are hoping to get some wind towers in there and capture some of that tax increase also. Commissioner Lythgoe asked if they would consider a loan in the amount of \$400,000, plus a guarantee for the other loan amount. Tom said that they are willing to discuss anything. If the wind plant goes through, there would be a significant amount of taxes back. Commissioner Weber asked if it were just the buildings, would the TIF money be more needed for maintenance of the current infrastructure. Tom said that this is correct. The park is in four phases, but the infrastructure will provide for all four phases, with the exception of the construction of a water tank, which was removed from phase one due to cost constraints.

Commissioner Lythgoe asked if this project is feasible if the entire amount was given from the metal mines loan program, or do they need some grant monies to make feasible. Tom said that they just need the \$650,000. If they were able to have some flexible term for repayment, then that would be fine. Commissioner Lythgoe said that he would be more in favor of a loan, and he is not sure if they even need to go to the bank for the \$250,000. He thinks it would be better to

give a loan with very reasonable interest rate and terms. He is also in favor of the possibility for some of the amount to turn into a grant, depending on the circumstances.

Commissioner Weber asked, if they were loaned \$650,000, what this would do to their portfolio as far as being indebted. Tom said that he is not sure at this time. Commissioner Weber said that it seems plausible that the payback on the \$250,000 on interest rates on a commercial loan, that they could structure the payments for the full \$655,000 to be similar. Tom said that it seems plausible. Also, may see a reduction in the match, due to the stimulus bill.

Commissioner Weber noted that as Tom said it is not his call, he needs to take back to his board, but what is the time frame to get back to EDA. Tom said that they are currently in the final application process and have several documents that they are getting from potential businesses. Commissioner Lythgoe said that if they the Commission were to amend the agenda for the next meeting, if that would be timely enough for them. Also, Tom needs to take to board the conversations that they have had; what is an appropriate interest rate and term, what are appropriate terms, even though this is way up in the air at this point.

Commissioner Lythgoe said that he is more interested in a loan rather than a grant. Commissioner Weber said that he is in favor of an interest-free loan, with contingency language in case the wind farm comes in and/or the TIF district. Commissioner Kirsch said that he would like to see the possibility that part of this could become a grant, if they get into a bind. Commissioner Lythgoe agreed, noting that they would have more flexibility if we do the whole thing in-house. He would like to see low interest rather than no interest, along the lines of 3%. Commissioner Weber asked Tom if they have talked terms with the bank yet. Tom said that they haven't.

Commissioner Weber said that he is in favor of contingency language for both directions; if there is a problem they can talk about changing some of the loan to a grant and if there is a success, such as the wind farm, they can talk about accelerating the payments. Commissioner Lythgoe said that he thinks this is a very good idea.

REQUEST FOR SUPPORT – NORTH JEFFERSON COUNTY SPAY-NEUTER CLINIC

Charlene Hall, North Jefferson County Spay-Neuter Clinic, said that they would like to do two clinics a year, the next two to be held in Basin and the Clancy area. It cost them roughly \$3,000 per clinic, which is what they are requesting. Commissioner Lythgoe asked why they are planning the next clinic in Basin rather than Boulder. Charlene said that they have had four clinics in Boulder, and they haven't been getting a lot of animals from Basin. Charlene noted that they don't come asking for money unless they have to. She noted that they did get \$1,500 from the City of Boulder. Commissioner Kirsch asked if the \$1,500 from the City is forthcoming. Charlene said that this was expended on the last clinic.

Commissioner Weber moved to grant \$3000 from PILT to the North Jefferson County Spay-Neuter Clinic. He feels that it is a good idea to move the clinics around the county. Commissioner Kirsch seconded. The motion carried.

Commissioner Lythgoe said along the same line, he asked Commissioner Kirsch if he would be

interested in pursuing the animal shelter. He has spoken to the attorney for Sky Top Ranch, and they are very interested in donating land for an animal shelter. They are also talking to the Forest Service and BLM about buildings and land that they have, including a field across the interstate. This is also a possible location. The Commission has already agreed that an animal shelter is something that needs to be placed on the ballot for a mill levy. Commissioner Kirsch said that one of the advantages to the land that the Forest Service buildings sit on is that sewer and water is already there. He will work with the group.

Charlene said that they have looked into this extensively and there are grants available for a lot of things, but they can't do anything until they have some land. Cheryl said that she wanted to let them know that the animal shelter and care committee is at a stand-still until land is obtained. Commissioner Lythgoe said that they are working on it, and would like to have something concrete before it goes to the ballot.

DISCUSS AND DECIDE ON SUPPORT FOR LIONHEAD NATIONAL PROTECTION AREA

Commissioner Weber stated that this is something that doesn't directly affect Jefferson County. The good thing about this protection area is that there is some consideration to timber harvesting, grazing, mountain bikes, and snowmobiles; there is consideration to all groups including those that advocate a quiet experience in the backwoods. Having read it and looked at it, it makes a lot of sense. The local governments that it does effect are supportive. Commissioner Lythgoe stated that he would agree with Commissioner Weber. They had a lengthy discussion and presentation regarding this a couple weeks ago.

Commissioner Weber moved that Jefferson County write a letter of support for the Lionhead National Protection Area. Commissioner Kirsch seconded. The motion carried.

UPDATE FROM RESOURCE COMMITTEE

Linda Norden and Barb Reiter gave an update on their work. They have met with three Carroll College nursing students that have joined the committee and they are working on finding furniture. One of the students works with Americorp, and she is going to check with them to see if they have any grants available to provide staffing for a year. There are a lot of grants out there, but they aren't a 501(C)3 and they aren't governmental exempt. Getting a 501 (c)3 status would take a considerable amount of time. They would like a letter of sponsorship from the Commission that can be sent in with grant requests. They are also researching with Carroll College the possibility of students getting credits for work done.

Commissioner Lythgoe asked how they are coming with getting agencies back in Boulder. Barb said that they haven't gotten letter from some of the agencies that they thought they would have. They would like to turn these in to the Commission Office as they come in. The letters are slow in coming.

Linda stated that Dave Morey with the Department of Public Assistance has said that there will be 18 more workers available statewide. They would request that the Commission write Dave and request that one of those positions be here. Commissioner Lythgoe said that this is the

contact that is critical; with that comes everything. As far as location, they are working on it.

Commissioner Weber stated that in the past discussions, we have agreed that we will find a place for people to meet, and are working to find better space, we have agreed that we are supportive of these agencies companies coming back to Boulder. He thinks that the question of if we can write support letters, etc. has already been covered. Commissioner Lythgoe noted that the private, non-profit thing is an entirely different issue. Just because we are supportive doesn't allow them to apply for grants. It has to a government agency or a private, non-profit; the Commission needs to be the agency or they need to become a 501(c)3. He doesn't know why the Commission wouldn't do this. Commissioner Weber said that the reason he is saying this is that this isn't an action item on today's agenda. If our previous actions weren't enough, then he would suggest that they put this on an agenda to decide if we are going to become that agency.

Barb said that Linda has been looking for grants and there are a lot of grants out there available that will help them. Commissioner Lythgoe said that most of these grants will probably require some match, both soft and hard, so the Commission will need to have information on this.

DISCUSS AND DECIDE ON FUNDING EMERGENCY REPAIRS TO THE BASIN COMMUNITY HALL

Jim Culbert, Chair of the Basin Fire Trustees, presented the Commission with information and pictures regarding needed repairs for the Basin Community Hall. He has obtained bids for repairs. Jim noted that for the age of the building, it is in really good shape. The community uses the building for a lot of community events. The Fire Department has had some fundraisers, but they aren't generating the funds needed. Commissioner Weber noted that the budget sheet notes \$13,613.80 in capital improvement cash. Jim said that this is for the Fire Department. He stated that there have been objections for any Fire Department funds being used for the Community Hall. He has spoken with Bonnie Ramey and asked if they can loan within this fund. Legally they can do that, but he is not sure how that will be accepted by the people of Basin. They are trying to work forward from past problems. Personally, he doesn't care if Fire Department funds are used for the Community Hall. Commissioner Weber stated that in actuality, the Basin Fire Department money is not Community Hall money. Jim stated that this is the opinion held by most. Commissioner Weber asked if there is a fund for the Basin Community Hall. Jim said that there is a line item for the Community Hall, that is most used for utilities etc. Any fund raising funds do go into that fund however.

Commissioner Weber asked what other projects they have slated that the existing money should go for. Jim stated that the hot water tank needs to be replaced, which will need electrical upgrades and a new waterline first, make the bathroom ADA compliant, and refinish the floor. They are hoping for volunteer labor and materials from the community.

Commissioner Lythgoe said that he would like to talk to Bonnie about this before making this decision. This will be put back on the next agenda.

Commissioner Weber said that there is a conference coming up next month regarding getting

grants and revitalizing main streets, and he suggested that Jim talk to Linda Norden for details.

Commissioner Lythgoe asked if we can't come up with the total amount, what amount they could use. Jim said that anything will help.

APPOINT BOARD MEMBERS

Commissioner Kirsch moved to reappoint Dan Hagerty and Barb Reiter to the DUI Task Force. Commissioner Weber seconded. The motion carried.

Commissioner Weber moved to appoint as Pete Schmitz temporary Trustee until the next election. Commissioner Kirsch seconded. The motion carried.

OPPORTUNITY FOR PUBLIC COMMENT

Tom Harrington stated that the Commission needs to get the metal mine grant program decided as they are coming up on the grant cycle. Commissioner Weber said that the feeling is to continue the program, with a tightening up of the review of applications before they go to the committee to better meet requirements. Everyone is in favor of proceeding with the grants, even if at a lower funding level. They felt that the north end should be kept at a higher level, as they have only had one grant cycle. Commissioner Lythgoe stated, for discussion purposes, he understands and would like to agree, but feels that need to look at lowering the amounts on the north end. He noted that with them looking at a loan in the amount that they are for the business park, they need to be very careful with the funds. Commissioner Lythgoe said that the reality is that Jefferson County is more than likely going to lose a mine.

Commissioner Lythgoe noted that he wasn't able to make it to the MTAG meeting, and asked Tom Harrington if there was anything to report. Tom stated that as they are aware, the 88 employees went off payroll the 3rd of February. They did hire 6 of those back that went to Black Fox. They are in the process of looking at another WARN notice effective the end of April for the rest of the employees.

Commissioner Weber moved to adjourn. Commissioner Kirsch seconded. The motion carried.

MEETING ADJOURNED

ATTEST:

**BONNIE RAMEY
CLERK AND RECORDER**

TOMAS E. LYTHGOE, CHAIR

KEN WEBER, COMMISSIONER

DAVE KIRSCH, COMMISSIONER